

Sale & Exchange of Property & BWCA Subcommittee
Permanent School Fund Advisory Committee
Wednesday, October 21, 2009
1:00 p.m., 125 State Capitol

Minutes

Present: Ron Nargang - Chair, Representative Denise Dittrich, Senator Tom Saxhaug, John Herman, Superintendent Patty Phillips

Absent: Senator Satveer S. Chaudhary, Robert Krepps, Mark Johnson

Ron Nargang called the meeting to order at 1:10 p.m.

Sale and/or Exchange of School Trust Lands within the BWCAW – Discussion with Jim Sanders (Supervisor, Superior National Forest) and Mark Hummel (Deputy Supervisor, Superior National Forest)

Ron Nargang introduced Jim Sanders and Mark Hummel.

Jim Sanders began his presentation by assuring the subcommittee that the USFS is interested in removing state lands from within the BWCAW. Jim Sanders presented information on:

- 1.) Past efforts for sale or exchange to remove school trust lands from the BWCAW.
- 2.) The economic benefits to the state from the BWCAW.
- 3.) Estimated cost to complete a sale and/or exchange.
- 4.) The effect that an exchange or sale will have on PILT, Secure Rural School (25%), and Thye-Blatnick payments.
- 5.) Consolidation of USFS and state lands outside of the BWCAW via an exchange.

Subcommittee discussion and questions followed. The subcommittee discussed the following:

- 1.) The pros and cons of a sale, exchange, or combination sale or exchange.
- 2.) The need to get all stakeholders involved at the beginning stages of an exchange or sale.
- 3.) Proposing state legislation that would help to progress a sale or exchange.
- 4.) The NEPA requirements that will affect this transaction.

Next steps:

- 1.) A high level economic analysis for each of the following proposals will be developed: a.) sale; b.) exchange; and c.) a combination of a sale and exchange.
- 2.) A map will be developed that shows where state and federal lands are, and where acquired state land and school trust lands are within BWCAW.

Discussion of Future Meeting Topics

The Subcommittee decided the following topics would be addressed at the next meeting:

- (1) BWCAW Sale or Exchange.
- (2) Discussion of state programs that charge fees for the use of state lands. DNR will provide a handout to facilitate discussion.
- (3) A report from the DNR regarding per acre values and expenses on school trust lands.
- (4) Legacy Funding – Bill Becker (Executive Director, Lessard-Sams Outdoor Heritage Council) as a possible speaker.

Next Meeting

The Subcommittee decided to meet again on December 2nd, from 1:00 to 3:00 p.m., in a room at the State Capitol.

The meeting was adjourned at 2:55 p.m.

Ron Nargang, Chair